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UNCTAD'S CONTRIBUTION TO THE IMPLEMENTATION OF THE UNITED NATIONS NEW AGENDA FOR THE DEVELOPMENT OF AFRICA IN THE 1990s

Progress report by the UNCTAD secretariat and evaluation of UNCTAD's contribution to the implementation of the New Agenda

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INTRODUCTION

1. UNCTAD's contribution to the programmes on Africa consist of the following two complementary elements: 1/ policy research, analysis, deliberation and promotion of consensus in those areas of UNCTAD's mandate which have particular relevance to the implementation of the United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF); and, technical cooperation activities to underpin measures directed at helping African countries fulfil their commitments under the New Agenda. In relation to policy research and analysis, UNCTAD Divisions take into account in their ongoing substantive work the priorities and orientations of the UN-NADAF.

I. POLICY RESEARCH AND ANALYSIS

A. The Trade and Development Report 1993, 1994; recent performance and prospects of African countries

2. The Trade and Development Report, 1993 dealt with the experience of Sub-Saharan African countries with structural adjustment programmes. It reviewed the experience of these countries and assessed the factors influencing their recent economic performance. The TDR considered the adequacy of the external funding for adjustment and the design and implementation of adjustment programmes in the light of the needs and potentials of these countries and their external environment, particularly commodity prices. It went on to suggest how financing and adjustment could be improved. The TDR indicated the reasons why both domestic and international policies needed to be revised considerably if the rise in poverty was to be reversed and the marginalization of Africa halted. It pointed to the need, in particular, to support structural adjustment programmes (SAPs) with a greater transfer of external resources, both to meet the continued terms-of-trade losses and to increase import and investment capacity. It also showed that debt reduction could play an important role in this regard.

3. The TDR also indicated the areas where the structural adjustment programmes had had shortcomings. For example, while there had been positive elements in African SAPs, including the importance attached to agriculture and macroeconomic stability, some important areas had been neglected to varying degrees. These included public investment, tax reform, reform of public enterprises, export promotion and capacity-building in public administration. The TDR concluded that it was important for these elements to be reflected in improvements in the design and implementation of SAPs.

4. The Trade and Development Report 1994 shows that growth performance in Africa remains highly unsatisfactory. With output continuing to lag behind population growth, per capita incomes are heading downward, as they have done for a decade and a half. The TDR notes that in the past few years, the economies pursuing "strong adjustment policies" have grown somewhat faster than others, but these economies have also received substantially more external funding. It points out again that, Structural Adjustment Programmes have failed to bring about the turnaround they promised; so far only one African country has managed to graduate from them.

5. The TDR observes that over the years a problem common to these African economies - and to other commodity-dependent economies in other continents, including least developed countries - has been the weakness of primary commodities, including oil. Falling export prices have depressed the export earnings of African countries notwithstanding increased export volumes, making it necessary to make huge cuts in imports. But in several African countries, the main factor behind poor economic performance has been political unrest or armed conflicts of various kinds; and some have been struck by drought or other natural disasters.

6. African economies have not shared in the recent revival of capital flows to developing countries, and remain under intense financial pressure. Net flows of medium- and long-term export credits to Africa declined sharply to a negative figure in 1992, and total net flows of export credits were also negative in the first half of 1993. Very few countries have access to international bond markets and to bank credits, and no significant increases in foreign direct investment (FDI) have occurred, notwithstanding the liberalization of foreign investment laws.

7. Meanwhile, payments and financing arrangements for imports (which reflect a country's creditworthiness) are costly and carry unfavourable terms. In spite of concessional restructuring at the Paris Club, the servicing of external debt remains extremely difficult. A welcome initiative was taken at the Naples summit of the Group of Seven, aimed at deepening official bilateral debt reduction for low-income countries (most of which are African). The TDR expresses the hope that this new political consensus will impart a strong impetus for early adoption by the Paris Club of the Trinidad terms, accompanied by country-specific measures when needed. It calls for eligibility for the new terms to be widened to include, at a minimum, all severely indebted countries that borrow from both IBRD and IDA. Also, in order to expedite the conclusion of "exit" rescheduling agreements for countries carrying out adjustment programmes, it calls for debt stocks reduction as soon as possible, and in one go.

B. Africa-specific analytical reports and studies

8. The secretariat has prepared and presented to the Board Africa-specific analytical studies on three topics so far: TD/B/39(2)/11: Regional and Integration issues in Africa (1993); TD/B/40(2)/9: Investment promotion, foreign direct investment, transfer of technology, 1994; and TD/B/41(2)/6: Sustainable development, population, human resources, and environment, 1995. Topics for later sessions of the Board will include: (i) achievement of sustained and sustainable growth; (ii) trade, commodities, and diversification; and (iii) interrelationship between economic progress, market orientation, good management, and increased popular participation. There have been some technical cooperation activities resulting from these analytical studies. One such activity includes capacity building in the accounting area which is prerequisite to enterprise development. This project, still in an embryonic stage is to be backstopped by the Division of Transnational Corporations and Investment.

C. International trade

9. The Supporting Papers to the Trade and Development Report, 1994 give particular attention, in the context of an initial assessment of the outcome of the Uruguay Round, to the special situation facing African countries. The Supporting Papers underline the importance the African countries attached to market access in the Uruguay Round negotiations. They considered that the trade liberalization would serve to mitigate the degree of tariff escalation and bring down the tariff peaks to which some of their products were subjected. On the other hand, in view of the inevitable erosion of preferential tariff margins the African countries voiced their concern early in the market access negotiations to secure compensatory measures, including additional market access concessions. The Supporting Papers indicate that the erosion of preferences has actually taken place and is most significant in the case of tropical products followed by natural resource-based products. The concern on the part of African countries regarding continued tariff escalation and losses in respect of preferential tariff margins is explained by their high dependence on exports of tropical and agricultural products, which account for a significant share of their exports. Erosion of preferential tariff margins is expected to have a greater impact on their overall export earnings due to their narrow export base, limiting their gains in improved access to markets in other categories of products.

10. The Supporting Papers give particular attention to the impact on African countries of the reform programme envisaged in the Agreement on Agriculture. It is suggested that a reduction or elimination of agricultural support and protection in the industrial countries could have in the longer run a dynamic impact on the development of agricultural production in African countries, thus providing them with the opportunity to expand the agricultural exports. However, in the short to medium-term run food prices can be expected to rise. This would bring hardship to many African countries that are net importers of food, particularly in the short run. The Supporting Papers stress the need for technical and financial assistance from donor countries and international agencies for the short-term financing of commercial food imports and for the improvement of agricultural productivity and infrastructure in these countries.

11. A need for Africa to transform its production and trade structures is particularly underlined in the Supporting Papers. A number of priority areas, on which a set of policy actions could be focused, were identified: services infrastructure development to support production and trade; technological capacity-building to improve quality and supply capabilities; diversification to higher value-added production through processing; improvement of investment conditions and the strengthening of regional and sub-regional markets. The support of the international community to complement domestic efforts in these and related areas was found to be essential.

D. Commodities

12. In the context of work on fostering sustainable development in the commodity field various case studies have been undertaken or are under way in several developing countries on the environmental effects of commodity production and processing. Special emphasis has been placed on the links

between these effects and economic and environmental policies as well as market conditions. The case studies involving African countries are: Cameroon (coffee and cocoa), Nigeria (cocoa), Côte d'Ivoire (coffee, cocoa, rice) (TD/B/CN.1/15), Ghana (gold) (UNCTAD/COM/41) and Zimbabwe (gold) (UNCTAD/COM/45).

13. These studies aim to establish a factual basis for national and international policy proposals which should contribute to ensuring that commodity production and trade are consistent with, and mutually supportive of, a better management of natural resources and protection of the environment. The objectives of the case studies are (i) to assist developing countries in designing and implementing policies which promote environmentally desirable production and processing of agricultural, fishery, forestry and mineral commodities; and (ii) to increase the developed importing countries' awareness of the difficulties faced by governments and producers in developing countries in terms of environmental protection in the commodities sector. The conclusions show that there is no inherent contradiction between environmental protection and expanding the export base including through diversification.

14. A second area of work is concerned with expanding the utilization and trade of environmentally friendly products. The aim is to assist developing countries in (i) increasing export earnings through expanding sustainable production and exports of products which are environmentally preferable from the point of view of the producing and consuming countries, and (ii) benefiting from enhanced recycling programmes. In the first area, non-wood forest products, agricultural fibres, organic agricultural inputs, ecologically produced beef, and products made of agricultural waste are being given priority. Case studies are being undertaken or planned in several developing countries, including African countries, to identify the supply potential of products which can lay claim to having environmental advantages.

15. On the basis of this background material, workshops will be organized on specific environmentally friendly products for developing countries, including African countries. These will bring together government officials, private sector representatives from producers and industry, and NGOs from both developing and developed countries. Advisory services will be provided to governments and the business sector for identifying products with market potential, as well as for designing and implementing appropriate policies, measures and strategies to exploit the potential.

E. Poverty alleviation

16. Given the scale and intensity of poverty in the African continent, the work of the Standing Committee on Poverty Alleviation is extremely relevant to the New Agenda for the Development of Africa in the 1990s. Africa thus receives a great deal of attention in all the work of the Standing Committee.

17. The Standing Committee on Poverty Alleviation organized a meeting in Geneva of an Intergovernmental Group of Experts from 24 to 28 January 1994, for the purpose of exchanging experiences on poverty reduction impacts of social funds and safety nets, including mobilization of domestic and external resources for poverty alleviation. Special emphasis was given to the role of safety nets and social funds in countries undergoing structural adjustment or

facing its aftermath. The Group of Experts recommended work in the areas of people's participation and involvement of the poor in the development process, including women's participation; the role, effectiveness and overall impact of international action to combat poverty; external financial resources to complement national efforts and identification of major impediments (on both the donors' and the recipients' side) affecting implementation of assistance programmes for poverty alleviation; exploration of ways and means of promoting international assistance to the developing countries in their poverty alleviation programmes and projects; and optimizing the respective roles of governments, donors, international organizations, and NGOs in specific categories of programmes and projects; population, migration, and poverty alleviation; as well as rural development and food security. (For details see TD/B/CN.2/L.2). Many of these concerns are of particular urgency in African developing countries.

F. Least developed countries

18. Thirty-two African countries are classified among the least developed countries (LDCs). At present 47 countries are classified as LDCs. In September 1990, the international community unanimously adopted the Programme of Action for the Least Developed Countries for the 1990s which provides for action to be taken by the LDCs at the national level as well as for international support measures by their development partners. Many of the priorities identified and recommendations made in the Programme of Action correspond to those contained in the New Agenda for the Development of Africa in the 1990s (UN-NADAF) and are supportive of its implementation.

19. The socio-economic problems of the 32 African least developed countries continued to receive emphasis in the reports issued by the secretariat. The Least Developed Countries Report for 1991 (TD/B/13(2)), 1992 (TD/B/39(2)/10) and 1993/94 (TD/B/40(2)/11) analysed several issues related to the New Agenda. These include: policy reforms, diversification of trade, popular participation in development, population growth policies and food security, domestic resource mobilization for development and mobilizing and developing human capacities in LDCs. These Reports, which include the basic data series on LDCs, also include several boxes on specific issues relating to individual African LDCs or the African LDCs as a group. The Reports are thus of particular relevance to the monitoring of the implementation of the UN-NADAF. Other reports have included: (i) The Role of GSP in improving LDCs' Access to Markets - Some Recent Developments (TD/B/39(2)/CRP.7, 19 March 1993); (ii) Aspects of Debt Management in Least Developed Countries (TD/B/39(2)/CRP.8, 19 March 1993).

20. Furthermore, specific country case studies on a number of African LDCs (Benin, Burkina Faso, Cape Verde, Ethiopia, Gambia, Lesotho, Madagascar, Malawi, Mozambique, Niger, Togo, Uganda and the United Republic of Tanzania) are being finalized. These will provide inputs to the annual LDCs Report and provide the basis for an in-depth analysis of these countries' needs and problems.

21. The General Assembly has decided in its resolution 48/171 to convene the Mid-Term Global Review Conference on the Programme of Action in 1995. In its preparations for the preparatory meetings and the Conference, the UNCTAD

secretariat will continue to review developments in African LDCs and the progress made in the implementation of the Programme of Action and the UN-NADAF. The secretariat will also make the assessment of the requirements of the African LDCs of particular relevance to their development that call for strengthened efforts during the rest of the 1990s. In addition, and as part of the preparatory process for the mid-term global review conference, it is planned to organize, jointly with ECA, a cluster meeting, as called for in the Programme of Action, in order to improve and strengthen existing cooperation arrangements at the regional and subregional level.

II. TECHNICAL COOPERATION ACTIVITIES

A. Trade

1. National trade policies of developing countries

22. UNCTAD provides the member countries with technical assistance in the area of national trade policies. For example, in the case of Ghana, assistance is being provided by means of a UNDP-financed study in reviewing, evaluating and formulating national trade policy for export promotion and import management. A first draft of the related report is currently under review. Apart from reviewing the current trends and exchange rate policies of the country, the report evaluates the institutional and legal framework for implementing policies. It further proposes some actions for strengthening the export competitiveness of the country.

23. UNCTAD, in cooperation with UNDP, provided assistance to the Government of the Gambia in undertaking a feasibility study on the establishment of an Export Processing Zone and in the area of tariffs, and computerization of trade data. An UNCTAD/UNDP technical cooperation project is currently providing assistance to the Government of the United Republic of Tanzania with the planning of export processing free zones (EPZs) in Zanzibar and its neighbouring island Pemba. The project involves the preparation of full-fledged feasibility studies. An UNCTAD/UNDP technical cooperation project is providing assistance to the Government of Kenya in order to strengthen the operational and promotional capacities of Kenyan Export Processing Zones Authority. Several private and public EPZs have been, or are being, established in Kenya. The Kenyan EPZ Authority has been entrusted with the task of ensuring that these EPZs are efficiently operated and contribute effectively to the country's industrial and export development. The UNCTAD/UNDP project is assisting the EPZ Authority with building up: (i) a well-designed management structure; (ii) establishing operational systems and procedures; (iii) determining criteria to decide upon production activities eligible for the EPZs; (iv) training staff, in particular at managerial levels, both on-the-job and overseas; and (v) developing well-defined channels to disseminate information and promotional material on Kenyan EPZs. The project has made available two long-term advisers to the EPZ Authority. The duration of the project is two years.

24. In Sao Tome, under a project funded by the Government itself, UNCTAD advised on the setting up of a free zone. In Cape Verde, assistance was provided to the Ministry of Tourism, Industry and Commerce in developing the institutional capacity, restructuring the legal framework, identifying

training needs, and proposing policy recommendations, with respect to foreign trade. In addition to the organization of a number of workshops and seminars, substantive studies were prepared which contained recommendations to the Government for concrete measures on issues such as exchange policy, trade financing, tariff and non-tariff barriers, externalization of services, and special incentive measures for promotion of private investment in infrastructure. Assistance was also provided in the implementation of all the new trade policies which have been approved. In Uganda, the project of assistance to external trade has provided advisory services and training in the areas of trade policy (in particular, on Uganda's submission to the Uruguay Round), trade facilitation and trade statistics analysis, thus placing the Ministry of Trade and Industry in a better position to formulate trade policy and react to demands in the area of trade promotion.

25. An interregional trust-fund project (INT/89/A17) financed by Italy addressed the need of LDCs to diversify their export structure to achieve export revenue stability and, in the longer term, a more balanced production structure. The project aims at providing LDCs with comprehensive country and synthesis studies, and policy recommendations derived from them. Eight country studies (including five African countries, Benin, Cape Verde, Mozambique, Niger and Uganda), and two subregional studies on Asian and African LDCs were undertaken. These studies and the synthesis study are expected to be published shortly. The findings will also be disseminated in the form of a training module to be developed in cooperation with the TRAINFORTRADE programme.

26. Another interregional trust-fund project (INT/91/A20), supported by the Netherlands, on fiscal policy reform in the LDCs, aimed at identifying policies and measures required by the LDCs to mobilize resources and restructure expenditure, and developing a framework which would serve as a basis for policy advice to LDCs seeking fiscal reform. The four country case studies planned including three African countries (the Gambia, Malawi and the United Republic of Tanzania), were completed and an overview of the main findings and policy conclusions, to be presented in the form of a policy framework paper, is being prepared.

2. First Afro-Arab Trade Fair

27. The First Afro-Arab Trade Fair took place in Tunis under the auspices of the Organization of African Unity, the League of Arab States and the Tunisian Government, from 22 to 31 October 1993. During the event an UNCTAD stand was established. The UNCTAD secretariat also arranged 62 bilateral trade consultations between the different delegations belonging to the two groups of countries. Relevant UNCTAD documentation (in English, French and Arabic), mainly related to trade promotion between Arab countries and African countries, as well as statistics on international trade and selected documents such as, TDR, and publications on technology, LDCs, etc., were displayed and distributed to the participants.

28. Also a symposium on trade promotion was held during the Fair. The general theme of the symposium was promotion of Arab-African trade. Issues dealt with included prospects of trade, monetary and financial cooperation between African and Arab countries. The issue of bilateral and multilateral

financial flows from Arab to African countries was also dealt with. Measures to be taken in the areas of trade policy and promotion, supportive infrastructures, cooperation among business communities of the two sets of countries and the establishment of clearing and payments arrangements as well as trade financing facilities were also elaborated on.

3. Multilateral trade negotiations: the Uruguay Round

29. UNCTAD has provided support to African countries in the evaluation of the Uruguay Round results which was carried out before the formal conclusion of the negotiations as stipulated in the Punta del Este Declaration.

30. Several African countries which participated in the negotiations benefited from the training programmes provided by UNCTAD with the financial support of UNDP throughout the period of the Round, including the availability of studies and other supporting negotiating materials. At the request of the African Governments UNCTAD is finalizing the formulation of a post-Uruguay Round programme of technical cooperation to address the needs of these countries during the implementation of the results. In this context, UNCTAD collaborated with the ECA in the organization of an International Conference on Technical Assistance for African Countries in the field of trade in the post-Uruguay Round phase to be held in Tunis, Tunisia, in October 1994.

31. In the area of services, UNCTAD technical cooperation with African countries continued in the framework of the Coordinated African Programme of Technical Assistance on Services (CAPAS) with continued financial support of the French Government, the International Development Research Centre (IDRC) of Canada and the Carnegie Corporation of New York. As in phase one, a future programme of activities under CAPAS was formulated by the recipient countries themselves in the light of an assessment of the impact of phase one of CAPAS carried out at a seminar organized for this purpose in Nairobi, Kenya, in May 1994. As essentially a policy-making capacity-building technical assistance programme in the field of services, CAPAS is intended to meet the needs of African countries in the area of multilateral trade negotiations in services as well as enhancing the contribution of the services sector to the development process.

4. Generalized system of preferences (GSP)

32. In the context of GSP, the UNDP/UNCTAD National GSP Project for Zimbabwe, which ended in December 1993, delivered 16 seminars and workshops and trained some 350 participants in various cities on the GSP schemes, their rules of origin and other trade arrangements. A recent UNCTAD mission in January 1994 found that this project maintained a high quality in its implementation and relevance to the current situation of Zimbabwe.

33. Two national GSP seminars for Cape Verde and one national GSP seminar for Uganda were also undertaken. They were both financed by national projects established in these countries. A regional GSP seminar for 14 French-speaking African LDCs financed by funds provided by the Government of Switzerland was held in Burkina Faso. The participating countries were: Benin, Burundi, Burkina Faso, Central African Republic, Chad, Comoros, Equatorial Guinea, Guinea, Mali, Mauritania, Mozambique, Niger, Rwanda, and Togo.

5. Trade and the environment

34. With the support of UNDP and UNEP, UNCTAD's activities in Africa in this area consist of a series of country case studies on the linkages between trade and environment. There are little or no data on these interlinkages which means that assumptions are now being made which have no firm empirical basis. The principal aim of the projects is to contribute to providing such a basis and to improve the understanding and awareness of environmental issues in relation to trade. Following the analyses of the empirical studies, policy implications and subsequent policy-oriented research strategies will be discussed. The following African countries are participating in the UNDP-funded project: Cameroon, Egypt, Kenya, Nigeria, Senegal, Uganda and Zimbabwe. UNCTAD and UNEP jointly organized a seminar on trade and environment for African countries which was held in Nairobi, Kenya, from 26 to 29 July 1994. The participating countries were: Cameroon, Egypt, Kenya, Mozambique, Nigeria, Uganda and Zimbabwe. With the support of UNEP, a country case study on Kenya will be undertaken.

6. Restrictive business practices

35. The Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices, adopted by the General Assembly in 1980 and reinforced by various pronouncements of the Intergovernmental Group of Experts on Restrictive Business Practices (particularly at its twelfth session in 1993) lay down the framework within which UNCTAD, and other relevant organizations of the United Nations system, provide technical, advisory and training assistance programmes on restrictive business practices, particularly for developing countries.

36. UNCTAD has been providing assistance to Ghana since 1991 in the three areas mentioned above; and the work is expected to culminate in the enactment of a bill entitled "The Trade Practices Act" and the establishment of its administrative underpinnings, most probably with financial support from UNDP. In Zambia, with support from the UNDP-financed Preparatory Assistance Project on Capacity-Building in the Ministry of Commerce, Trade and Industry (ZAM/92/026), a Fair Trade and Competition Act was developed and has now been adopted.

37. In response to a request from the member states of the Preferential Trade Area for Eastern and Southern African States (PTA), the UNCTAD secretariat conducted a workshop in December 1994 on Competition and Control of Restrictive Business Practices, in the context of the Treaty Establishing the Common Market for Eastern and Southern Africa (COMSA, signed on 5 November 1993).

7. Trade Efficiency

(i) ASYCUDA

38. The ASYCUDA programme has been the largest technical cooperation programme within UNCTAD since the late 1980s. ASYCUDA potentially provides the most cost-effective solution for countries wishing to modernize their

Customs Administrations and Data Collection Services and has been at the centre of the great progress made in the last five years in the developing countries in this area.

39. The subregional ASYCUDA support centre serving West Africa based in Lomé continues until the end of 1995 with funding from the European Community. In eastern and southern Africa, a regional support centre project funded by the European Economic Community for the Preferential Trade Area countries of the eastern and southern Africa subregion is under implementation: A team of four experts has been fielded in Lusaka since February 1993. ASYCUDA installations in Benin, Burkina Faso, Burundi, Cape Verde, Central African Republic, Comoros, Ghana, Guinea, Guinea-Bissau, Madagascar, Mali, Mauritania, Mauritius, Niger, Rwanda, the Sudan, Togo and Zimbabwe are now fully operational although Niger and Togo have older equipment which must be replaced so that they can take on the latest software. Projects are under way in Gambia, Sao Tome and Principe, United Republic of Tanzania, Mozambique and Namibia. The project in Zaire has been suspended due to the political situation.

40. As indicated above ASYCUDA primarily aims at increasing revenue, increasing efficiency in the customs clearance process and providing data to government statistical agencies. Evaluations of national and regional ASYCUDA projects have been carried out on a regular basis since the programme's inception and without exception have been positive in terms of results. For an example Mauritius recorded an increase of 10 per cent on customs revenue and a reduction in clearance times from an average of four days to one day.

(ii) The Trade Point programme

41. The Trade Efficiency Initiative was launched by UNCTAD VIII in Cartagena. The main objectives of the initiative are to open international trade to new participants - especially small- and medium-sized enterprises - and reducing transaction costs by simplifying and harmonizing trade procedures worldwide and giving traders access to advanced technologies and information networks. A key component of the initiative is the "Trade Point Programme", which consists mainly of establishing, operating and interconnecting Trade Points in all regions of the world.

42. Missions to present the Trade Point Programme to both private and public sectors have been carried out in the following African countries: Algeria, Cape Verde, Egypt, Gabon, Kenya, Mauritania, Morocco, Sao Tome and Principe, Senegal, Tunisia, United Republic of Tanzania and Zambia. Over 20 countries in Africa have established, or are in the process of establishing, trade points.

B. Commodities

1. Commodity export strategies

43. With financial support of the Government of Australia the UNCTAD secretariat in cooperation with the International Trade Centre UNCTAD/GATT and the United Nations Development Programme, organized a Workshop on Commodity Export Policies and Strategies in African Countries undertaking Structural

Adjustment in Dar-es-Salaam (United Republic of Tanzania) from 24 to 27 November 1993. The 25 participants included senior government officials from the Ministries of Trade and Agriculture and the relevant State parastatal organizations in Ethiopia, Kenya, Malawi, United Republic of Tanzania, Uganda and Zimbabwe. The aim of the workshop was to assist these Governments in reshaping their policies for the production and export marketing of the three selected commodities. Aspects covered included the effects of deregulation and decreased budgets on production and export marketing; the formulation and implementation of government policies in a deregulated framework including definition of the balance of tasks and functions between the Government and the private sector; and the implications of deregulation for the efficient use of marketing techniques and for information flows.

2. Commodity processing

44. The UNCTAD secretariat initiated in 1992 "A pilot project on commodity processing for selected developing countries" which is financed by the Government of Japan and UNDP. The project concentrates on two highly commodity dependent developing countries with limited processing activities, including one in Africa, Cameroon. As the project was designed to test a new approach to cooperation between international organizations, it involves all the relevant international agencies (UNCTAD, FAO, UNIDO, World Bank and regional development banks), as well as two high-level independent experts who serve as standing members of the "Core Group" involved in the project execution.

45. After assessments of commodity sector potential and the development of project profiles, a Round Table meeting was organized in Cameroon with a view to evaluating the viability of potential investment projects. Participants discussed concrete processing projects in avocado oil and palm oil, and commitments of international organizations and of the Government of Cameroon were identified in order to support the starting up of these commercial projects.

46. The project has so far confirmed the potential of effort at encouraging private investment in processing activities through a new multi-agency cooperation mechanism, including international and regional organizations with competence in related areas. All participants have found the format of the project highly promising as an instrument to promote economic growth by means of stimulating and assisting concrete "self-help" efforts of highly commodity dependent developing countries with processing potential. A second stage is being considered, and a number of African countries have expressed interest in being involved.

3. Commodity marketing and risk management

47. A high-level policy workshop on "Improving government policies affecting coffee export marketing and the use of modern marketing techniques (including risk management instruments) in Africa" was held in Nairobi, Kenya, from 29 November to 3 December 1993. The seminar was organized by the UNCTAD secretariat, with the financial support of the Government of the Netherlands, as one of the activities undertaken in the framework of UNCTAD's mandate on commodity marketing and risk management. The 30 or so participants in the

workshop included senior policy-making officials of Ministries of Agriculture, Ministries of Finance, Ministries of Commerce, Central Banks, and representatives of coffee export associations from Burundi, Cameroon, Ethiopia, Kenya, Madagascar, Uganda, and United Republic of Tanzania. The objective of the workshop was to improve the capacity of coffee-dependent African countries to evaluate the advantages of, and problems involved in, the use of risk management instruments and other modern methods of marketing in the export of coffee, and to assess the implications of their use for government policy. A series of reports was prepared for the workshop, covering the issues: the functioning of commodity price risk management instruments; the company control structures needed for proper risk management; the relation between government policies and the use of risk management; the role of coffee exports in the countries covered by the project; modern coffee marketing techniques; commodity finance; and government policies in East Africa which influence the use of risk management instruments.

4. Import management and policies for food commodities

48. Under its project on "Import Management and Policies for Food Commodities" UNCTAD has undertaken work in Africa in the areas of trading advice and commercial training and on import policies and their relation to structural adjustment programmes. During the period 1990-1993, 17 countries were assisted in the procurement of wheat and rice, particularly on contract terms, tender procedures, selection of appropriate suppliers, technical specification and inspection requirements. In another 15 countries seminars were organized in cooperation with the Chambers of Commerce and Governments on the market situation, trade finance, contract conditions and product specifications for rice and sugar. Approximately 350 private traders, government officials and senior bank managers participated in the seminars. Fellowships were provided to senior purchasing officials from Senegal, United Republic of Tanzania, Madagascar, Ghana, Tunisia and the Comoros. Two studies were prepared on the effects of structural adjustment policies on imports of rice and sugar. Two reports were prepared on "Major Contract Clauses and Tender Procedures" and on "Food Trade Financing". In addition, UNCTAD initiated the establishment of a market service for rice which is implemented by ITC.

49. These activities have contributed to more competitive prices and/or improved contract conditions leading to more security in contract performance, the supply of better quality products and the generation of foreign-exchange savings. The project, which had been funded mainly by Switzerland and Italy has now been completed.

C. Debt management and negotiations

1. Debt Management and Financial Analysis System (DMFAS)

50. Developing country indebtedness has been singled out as one of the most important constraints on spending on education and health. Improving its debt management can help a country to conserve scarce resources, for instance the ready availability of accurate data is essential for the pursuit of optimal macroeconomic and external borrowing strategies. Developing countries therefore need the capacity and administrative structure to deal effectively

with all aspects of managing their external debt. For this purpose, they need a computer-based debt management system, and associated training and advice in debt management. These are all important dimensions of the question of human resource development in the region. UNCTAD provides such technical assistance. Its central component is a computerized system for debt management, the Debt Management and Financial Analysis System (DMFAS 2/), which is designed to strengthen the technical capacity of developing countries to record and monitor their external debt. The DMFAS has been installed in Burundi, Djibouti, Ethiopia, Rwanda, Togo, Uganda, Zambia, Zimbabwe and Egypt, as well as in a large number of countries outside the African continent. Based on official requests, new projects in Africa are currently being prepared for Angola, Cape Verde, the Central African Republic, Côte d'Ivoire, Mauritania, Senegal, Sudan and the Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO).

51. UNCTAD has for many years sought to decentralize its DMFAS-related activities in Africa to the extent possible and useful. From September 1991 until August 1993 a regional UNCTAD adviser, resident in Uganda, provided support to the use of the DMFAS initially to Burundi, Uganda and Rwanda, and later to Zambia and Ethiopia. This project (INT/91/A12), funded by the Netherlands, proved extremely successful and demonstrated the necessity for continuing to provide assistance to DMFAS installations after termination of country projects.

52. The Governments of 12 countries in eastern and southern Africa have created the **Eastern and Southern African Initiative in Debt and Reserves Management** (ESAIDARM) to improve the effectiveness of technical cooperation for debt management capacity building. The Initiative was formally established in September 1993 and its Board of Governors, Executive Committee and Executive Director elected. Technical and financial support will be provided by bilateral donors, the African Capacity Building Foundation, the World Bank, UNCTAD, the Commonwealth Secretariat and other international organizations. Training and advisory services will be provided through a regional secretariat attached to the Reserve Bank of Zimbabwe. Financial arrangements to support this regional operation are being finalized and the estimated cost for the first three years is $10.2 million. Building on its long experience in the region, UNCTAD has actively supported the creation of this initiative. At the request of the Initiative, UNCTAD has posted a chief technical officer (CTO) within the secretariat to support the installation and operation of the DMFAS in the countries, provide for the development of additional regional expertise and strengthen the quality and timeliness of current data recording efforts, through increased frequency of supervision visits and expanded advisory services. An expert has also been recruited within the region to serve as an understudy to the international expert; the latter will be phased out after a two-year period, and be replaced by the former.

53. The UNCTAD secretariat is also in touch with the Egyptian Information and Decision Support Center (IDSC) with a view to strengthening cooperation in providing support to African and other developing countries.

2. Debt negotiations

54. UNCTAD has initiated a technical assistance project, financed by the Italian Government, to strengthen African countries' capacity to reschedule their debt to official creditors. In the framework of this project, the following activities have been undertaken over the past two years: (1) Three African countries have been provided with technical assistance through advisory missions to prepare their strategy of debt negotiations with Paris Club creditors. Eight other African countries were also given technical assistance just before the Paris Club meeting; (2) A report on Paris Club bilateral agreements, concerning the experience of eight African countries (Guinea, Mozambique, Nigeria, Senegal, United Republic of Tanzania, Togo, Uganda and Zambia), has been prepared; (3) A high-level policy seminar on strategies for Africa's official bilateral debt negotiations was held in Geneva from 26-28 January 1994. The seminar brought together senior officials (typically heads of debt departments) from Central Banks and Finance Ministries in 15 African countries. The seminar had three aims: (i) to disseminate existing knowledge in the field of official debt negotiations and conversions; (ii) to analyse the experience of African countries in this area, and facilitate the exchange of information and experience among their governments; (iii) to determine the capacity-building needs of African countries to enable them to design their own external financing strategy, especially on debt, and to assess how such needs could be met.

D. Economic cooperation among developing countries

55. UNCTAD had various ongoing ECDC activities in the African region, including advisory support and technical assistance projects, directed at responding to the demands of integration groupings, improving payments and clearing arrangements, and encouraging trade enterprises and other economic agents to support trade and economic cooperation among developing countries. A new project of assistance to the Arab Maghreb Union (AMU) was launched in 1994. Preparatory work has started on two activities, namely, a study on a compensation scheme for loss of fiscal revenue resulting from the implementation of trade preferences; and the organization of a conference of Maghrebian trade enterprises in order eventually to set up an association. Assistance was provided to the Economic Community of West African States (ECOWAS) in the preparatory work for the elaboration of common external tariff, undertaking studies on greater currency convertibility and the setting up of a single monetary zone, and supporting the work of the follow-up committee for the establishment of coastal shipping services in West and Central Africa. Assistance was also rendered to the Economic Community of Central African States (ECCAS), in carrying out a study on rules of origin, a study on a compensation scheme for loss of fiscal revenue resulting from the implementation of the trade liberalization scheme, and the formulation of a work programme for the establishment of a common external tariff.

56. Several advisory missions were performed by UNCTAD staff and interregional advisers to ECOWAS, the Organization of African Unity (OAU), the Preferential Trade Area for Eastern and Southern African States (PTA), the Southern African Development Community (SADC) and UMA. Advice was given on the revision of the ECOWAS treaty, the drafting of protocols to be attached to

the Abuja Treaty establishing the African Economic Community on Markets of Eastern and Southern Africa (COMESA), and in the designing of a SADC trade liberalization programme and drafting of a trade cooperation protocol to the SADC treaty.

57. Several activities were related to the expansion of trade of African countries with other regions. Assistance was provided to the African Association of Trading Enterprises (ASATRADE) for establishing improved relations with partners in the Canary Islands (Spain) through a cooperation agreement between ASATRADE and the Chamber of Commerce of Tenerife. An analysis of the possibilities of export expansion of Cape Verde Islands towards Latin America was carried out. A report dealing with the export potential of Sub-Saharan free zones was finalized. These reports will serve as documentation for a symposium to be organized in 1995 on the impact of the results of the Uruguay Round of Multilateral Trade Negotiation on cooperation among free trade zones of developing countries. In this connection also, the second conference of governors and senior officials of central banks of African and Latin American countries was organized in March 1994 by UNCTAD in collaboration with Promociones Exteriores Canaries (PROEXCA) and the Official Chambers of Commerce, Industry and Shipping of Santa Cruz de Tenerife, Canary Islands, (Spain). The first meeting of the follow-up committee of the conference was held in October 1994, with secretariat assistance by UNCTAD.

58. The 8th meeting of the Coordination Committee on Multilateral Payments Arrangements and Monetary Cooperation among Developing Countries, for which UNCTAD is the technical secretariat, was held in early 1994. It was attended, inter alia, by all three existing African payments arrangements, viz., the Clearing House of the ECCAS, the PTA Clearing House and the West African Clearing House.

59. UNCTAD assisted the Economic Community of Western African States (ECOWAS) (RAF/88/047) in establishing a work programme which would help member countries in pursuing the trade liberalization process, as well as leading towards the harmonization of the external tariff. In conformity with this work programme, a survey of the different protection systems applied by ECOWAS member countries was undertaken, and elements regarding the elaboration of a common external tariff were provided. In the area of monetary and financial cooperation, four studies aimed at preparing the ground for greater convertibility and the establishment of a single monetary zone were undertaken. On the use and acceptability of national currencies in intra-regional trade, on macroeconomic indicators for achieving monetary policy convergence, elements for fostering regional capital markets, and on possibilities for the introduction of bills of exchange in the West African Clearing House the introduction of computers and software for bookkeeping improved the smooth running of the West African Clearing House Payment Mechanism. With regard to the coastal shipping, UNCTAD supported ECOWAS in a market study. It also initiated actions for the mobilization of potential investors, and examined the type of vessels most suited for the service.

E. Privatization

60. Under the project "Rationalization and privatization of trade-related public enterprises in low-income developing countries" assistance has been provided in terms of advisory services in relation to the rationalization or privatization of trade-related enterprises in low-income countries. Recent activities have been conducted in Cape Verde, Ghana, United Republic of Tanzania, Zambia and Zimbabwe. A West African privatization seminar was held in Praia, Cape Verde, in November 1993 with the participation of experts from Cape Verde, the Gambia, Ghana, Guinea, Guinea-Bissau and Senegal. Areas covered included: non-divestiture and divestiture options, techniques and financing of privatization, competition, regulation and social aspects of privatization.

F. Foreign direct investment

61. UNCTAD Division on Transnational Corporations and Investment has undertaken a number of technical cooperation activities regarding foreign direct investment in Africa in the period 1992-1993. Various activities have been conducted in South Africa relating to foreign direct investment and development management; review of investment-related laws and regulations; preparation of policy-oriented sectoral studies; and training through workshops. In Mozambique, a three-year programme aims to improve the capacity of governmental agencies to negotiate effectively with TNCs, in particular as regards to legal and institutional framework for foreign investment, by redrafting the country's investment and mining legislation, as well as developing an appropriate fiscal regime for mining and setting up of a national investment centre. Assistance is being provided to Governments in drafting a new foreign investment law and implementing regulations (Algeria) and drafting of a Code Unique (Tunisia), as a consolidation of existing sectoral codes. Other countries receiving technical assistance in relation to foreign investment are: United Republic of Tanzania, Sierra Leone, Kenya, Uganda, Gambia, Ethiopia, Sao Tome and Principe and Swaziland.

62. In addition, a number of training activities have taken place (see TD/B/40(2)/CRP.2). These have covered, inter alia, the following areas: development of financial markets; entrepreneurial development; foreign investment and privatization; investment planning and appraisal; international arbitration; joint ventures; development strategies and legal frameworks. There have also been round-tables on free economic zones; investment climate; business development; and contractual arrangements. Workshops and seminars (some in cooperation with ECA) have included: a seminar on the Report of the South Commission; Ad Hoc Expert Group Meeting on the Promotion and Investment in Industrial projects in the contexts of the Second Industrial Development Decade for Africa; and Ad Hoc Expert Group Meeting on the Revitalization of Investment in Africa's Development: Prospects in the 1990s and beyond.

G. Shipping, ports and multimodal transport

1. Transit transport in Africa

63. Transit transport in Africa has received priority in UNCTAD's technical assistance since 15 out of the total number of 29 land-locked developing countries are found in Africa. Strengthening cooperative arrangements between land-locked developing countries and their transit neighbours has been the strategy used to facilitate transit transport logistics to and from land-locked countries. The components of this strategy include assistance in: identifying physical barriers to transit traffic flows; implementing policies and procedures designed to reduce transit costs; streamlining and harmonizing customs and administrative documentation and procedures; institution-building; and strengthening human capacity in the transit sector. UNCTAD technical assistance was provided within the framework of three related projects in Transit Traffic and Support to the Transport Sector in: (a) Southern Africa (RAF/86/046-RAF/91/143); (b) West-Central Africa (RAF/88/014); and East-Central Africa (RAF/88/015).

64. The immediate objectives of the transit traffic activities are as follows: to assist the land-locked and transit countries in the subregion to negotiate mutually beneficial agreements in various areas of transit cargo across international borders and to assist these countries in the implementation of transit traffic trade and development-related policy measures designed to contribute to the reduction of current transit costs.

2. The Advance Cargo Information System (ACIS)

65. One of the main objectives of ACIS is to assist the beneficiary countries to promote trade and economic integration among themselves through an efficient management of the transport sector. In this regard, it meets a key aim of the OAU and all the sub-regional economic groupings in Africa.

66. At the request of African Governments and transport operators, efforts have concentrated on developing and implementing the port, rail and lake tracking modules; the road tracking module will follow. UNCTAD therefore continues to develop and install ACIS, concentrating on sub-Saharan Africa. RailTracker is operational on 13 African railway networks (in 12 African countries: Malawi, Zaire, Cameroon, Senegal, Kenya, United Republic of Tanzania, Ghana, Côte d'Ivoire, Burkina Faso, Mali, Uganda and Sudan) and PortTracker is operational in two African ports (Tanzania Harbour Authority and Port of Mombasa). The development and implementation of ACIS are currently funded by the World Bank, the European Commission, French and German cooperation and UNDP. In this context, the European Commission has pledged financial support for a major project to finalize the development and install ACIS on all four modes including the Backbone Information System throughout Eastern Africa. Discussions are currently being held with donors to satisfy similar requests for ACIS in Western Africa.

67. On 22 September 1994, the EDF Committee of the European Commission approved a budget of 8.5 MECUs for the installation of all the various modules of ACIS in the Eastern African member States of the PTA. This project will be executed by UNCTAD in close collaboration with the secretariat of the PTA for

3 years (1995-1997). It is hoped that if this phase is successfully implemented funds will be available for ACIS to be extended to all the geographical areas of Africa.

3. Rehabilitation of Somalia ports

68. Early in 1993, UNCTAD was asked to send a team to Mogadishu to advise on the action necessary to rehabilitate Somalia's main port following the civil war. In June a five-man team was sent to take over from the United States military the administration and management of this port.

69. In July 1993, an UNCTAD team carried out a survey of the other Somalia ports, and concluded that the ports of Kismayu, Berbera and Bosasso needed to be rehabilitated. All had suffered damage as a result of the war, equipment had been destroyed or looted and port operations had virtually ground to a halt. A programme (SOM/93/003) was drawn up for the rehabilitation of these ports which all have distinct hinterlands and therefore an important role to play in the reconstruction and development of the country. In December a two-man UNCTAD team arrived to take over from the Belgian military the management and operation of the port of Kismayu.

70. In spite of serious political and military difficulties, the ports of Mogadishu and Kismayu have both been transferred from military to civilian management. Both ports are fully operational, serving both military and commercial traffic. In Mogadishu UNCTAD acts as the port authority and the World Food Programme acts as the port operator. In Kismayu the UNCTAD team is responsible for all aspects of management and operation. Port organizations have been put in place and procedures set up for marine and cargo services, revenue collection and accounting and routine maintenance of port facilities.

4. Second United Nations Transport and Communications Decade In Africa (UNTACDA II)

71. The UNTACDA II Sub-Sectoral Working Group on Shipping, Ports, Inland Waterways and Multimodal Transport, which UNCTAD chairs, was responsible for the development of the strategies to be pursued during the Decade which were eventually adopted by African Ministers and published by the Economic Commission for Africa. UNCTAD prepared a brochure to disseminate these strategies to African Governments, sub-regional organizations and the providers and users of transport services.

72. On behalf of this Working Group UNCTAD has developed a draft action programme on maritime training which has, as its objective, that, by the end of the Decade, Africa should have an effective, integrated and collaborative network of major maritime transport training centres to serve the continents' needs. The Working Group has approved this programme and proposed a series of measures for its implementation.

73. The Group also recommended the development of seven other action programmes on: asset maintenance. These activities have had to be temporarily suspended due to lack of resources. Maritime administration,

legislation and safety; maritime environmental protection; shipping operations (to include ship-owning, chartering, shippers' councils, etc.); multimodal transport; development of inland waterways; working and living conditions (including safety) of employees in the maritime sector.

74. UNCTAD has also participated along with ECA, the World Bank, ILO, ITU, ICAO, IMO, and UNDP in a series of studies aimed at introducing changes in human resources and institutional development. Pilot projects will be undertaken in 1995 in Sierra Leone and Madagascar to implement the results of this research.

H. Insurance

75. Stable and efficient financial markets are essential to modern economies. Efficient and competitive insurance markets enable economic agents to protect themselves better against risks and help safeguard national assets and trade. Funds in the custody of domestic insurers can be invested in the economy, thus contributing to the development of a country. The objectives of the Insurance Programme is to provide support for the establishment and strengthening of competitive insurance markets in developing countries, assisting the sector to make a positive contribution to trade. During the period under review national projects in Djibouti (DJI/89/002), Kenya (KEN/81/016), and two regional projects, in Africa (RAF/87/136) were conducted. UNDP financed all these projects.

76. The objectives of the African project included inter alia the promotion of African cooperation in reinsurance, to save substantial amounts of hard currency and increase African collective self-reliance in the field of insurance. A reinsurance exchange meeting, following a series of such meetings, was organized in 1992 at which most of the African professional reinsurers and insurers having reinsurance operations participated. This constituted the last activity under the project. These reinsurance exchange meetings resulted in the actual exchange of business and in the increase of exchange of information and experiences between African companies.

77. In Djibouti, a mission was fielded and a report prepared during 1992 to advise the Government of Djibouti on legal, structural and educational matters in the field of insurance. The report showed anomalies and provided advice which if implemented could lead to much better market conditions; increase in the protection of insurance consumers and a better balance between products and consumer needs.

78. The objectives of the Kenyan project were to assist in drafting regulations and in the establishment of an Insurance Department in Kenya, by providing training and equipment. The project was concluded in 1992. The establishment of a fully-fledged regulatory and supervisory framework will lead to greater protection of insurance consumers and insurance market efficiency.

I. Technology

79. Following decisions reached at UNCTAD VIII in Cartagena, the main objective of UNCTAD's activities in this area has been to strengthen technological capacity of developing countries, particularly through training of human resources.

80. The activities undertaken in Africa in 1993 included continuation of a national project in Burundi. Within this project a seminar was held in Bujumbura on strengthening of national technological capabilities during which the participants identified problems dealing with the utilization of R & D results and proposed measures for establishing closer links between R & D institutions and the production sector. The same country hosted a workshop organized by UNCTAD on legal aspects of transfer of technology which dealt with contractual arrangements for the acquisition of technology.

81. In October 1993, UNCTAD started work on a new project aimed at building technological capability in developing countries through business linkages between foreign and domestic small/medium-sized enterprises-TRANSTECH. Within the preparatory stage of this project, financed by the Government of Denmark, missions were organized to Ghana, Uganda and Zimbabwe with the objective of working out programme modalities and institutional arrangements for TRANSTECH's implementation.

J. Human resources development

82. In response to the acute need of African countries in this area, most UNCTAD projects contain both the development and training content. The analytical report (TD/B/41(2)/6) before the current session of the Board contains a section on human resources development in Africa. An important component of UNCTAD's human resources development and training activities are undertaken under the TRAINFORTRADE programme. The goal of this programme is to strengthen human resources development and training capacities in the field of trade and trade-related activities.

83. UNCTAD, through its programme TRAINMAR, continues to support good management of the maritime sector. A network of management training institutions, coordinated and assisted by UNCTAD staff, contributes to human resource development and training for officials and managers concerned with maritime trade. The network in Africa includes training departments, centres and institutes in 14 countries of North, West and Central, Southern and Eastern Africa, working in French, Portuguese and English. These institutions cooperate together to offer professional standards of training in matters of priority concern for the maritime sector of their countries. UNCTAD assists through coordination of their efforts, the provision of support in training development and delivery, and the design and introduction of improved training techniques including a new course in human resource development used for the first time in North Africa at the end of 1994.

III. EVALUATION OF UNCTAD'S CONTRIBUTION TO THE IMPLEMENTATION OF THE NEW AGENDA

A. Present orientation of UNCTAD's contribution to the United Nations New Agenda

84. The general orientation and overall strategy of UNCTAD's contribution to the United Nations New Agenda for the Development of Africa in the 1990s has been aimed at the following elements:

(a) Analysis of the critical problems confronting Africa will be addressed effectively and urgently in a coordinated manner at the national and regional levels, through sustained pursuit of sound policies and strong regional cooperation and integration efforts;

(b) Encouraging the international community to translate its commitment to assisting Africa in achieving economic development and transformation by identifying and analysing constraints and potential solutions that are amenable to international cooperation; and mobilizing the necessary resources (regular budget and extra-budgetary) to carry out these activities and to agree on additional measures to be taken for providing the necessary support and assistance to Africa. The ultimate aim and/or expectation is for increased resource flows to Africa and for increasing awareness, at the global level, of the critical economic situation in Africa and the actions needed to improve that situation;

(c) Identifying and intensifying the provision of technical assistance in response to assessed needs based on analysis of the constraints facing Africa.

85. The need for closer attention to the problems of low-income African countries has increased. The socio-economic situation in most African countries has worsened. The number of countries classified as least developed located in Africa - 32 out of 47 - has increased since the early 1980s. Hence, in considering its evaluation of UNCTAD's contribution to the New Agenda and in giving new guidelines for a more effective effort, the Board may wish to take into account some of the brief observations and suggestions made below.

B. Policy research and analysis

86. In this area UNCTAD's ongoing work has reflected, increasingly, greater attention being given to the African situation and the least developed countries (see paras. 3-10 for instance), and has emphasized that the problems facing Africa are largely structural.

87. UNCTAD's analysis of Africa's relationship with the rest of the world acknowledges the importance of external environment to these countries, most of which are small economies. The dramatic changes in the world economy and in the international trading system, and their consequent impact on the international institutional framework, will have major implications for the prospects of Africa's development.

88. While such changes provide opportunities for development, at the same time they place the African countries in a relatively weaker position in international competition. UNCTAD's ongoing work addresses many of these issues. Of particular importance is the analysis of the design and implementation of structural adjustment programmes with a view to identifying areas where these need to be improved. For instance, the Trade and Development Report 1993 identified areas where both domestic and international policies needed to be revised considerably if the rise in poverty was to be reversed and the marginalization of Africa halted.

89. UNCTAD has also initiated some analytical work on the impact of the Uruguay Round on low-income developing countries, particularly the African ones, with a view to strengthening its technical cooperation activities in this field.

90. Both external and internal factors shape the development process, the relative importance of which requires analysis of the situation of individual countries. Given the varied degree of success and problems in African developing economies, it is proposed that forthcoming work by UNCTAD on Africa include further examination of the development experience in selected economies. Policy research and analysis on Africa has tended to be highly aggregated, limiting their usefulness, and thus not sufficiently acknowledging the fact that several African economies have in fact performed well, at least in terms of GNP growth rates.

91. Hence, it might be useful to analyse the positive experiences of individual countries and examine the possibility of replication of success stories in a particular sector. Examples include livestock development in Botswana; ability to attract foreign direct investment i.e. in Swaziland; maintaining a favourable human development index as, for example, in Lesotho (a resource-poor country with an educated population, particularly women); Mauritius, for example, for overall good macro-economic performance (another relatively resource-poor country). Ghana and Uganda can be added as recent examples of successes in rehabilitation of their economies. It would be useful then to search for elements that would make these efforts sustainable and replicable in other parts of Africa.

92. Another example is the case of indebtedness. In many analyses, all African countries are lumped together. Yet according to World Bank data, for instance, 26 out of 45 SSA countries cannot be considered as debt-ridden, half of the remainder face problems that are solvable within the existing arrangements. Aggregation precludes the possibility of developing appropriate responses to each group according to the particular circumstances facing the group. Efforts to assist those countries whose problems are solvable within existing arrangements to take advantage of these arrangements have been insufficient because of the high level of aggregation.

93. One may argue that one of the possible reasons for accentuating a pessimistic assessment of Africa's overall socio-economic performance emanates from the misconception that sensitizing the international community to the plight of the African countries will result in increased flows of resources from the donor community to Africa. However, official development flows do not necessarily result automatically from pledging sessions following

intergovernmental meetings. There is severe competition for these resources. It has been observed that, frequently, those countries that perform well according to certain criteria are more likely to attract concessional and non-concessional financial resources.

C. Technical cooperation

94. UNCTAD's approach to technical cooperation in Africa is an integral part of its approach to technical cooperation in developing countries in general. The effectiveness of the overall programme of UNCTAD has recently been reviewed by the Board at the first part of its forty-first session and at the twenty-fourth session of the Working Party on the Medium-term Plan and the Programme Budget. The Board's conclusions and guidance to the secretariat's work in this area is equally applicable to the African situation (see TD/B/41(1)/14(Vol.I), pp. 16-19 and TD/B/WP/87 of 15 December 1994). Obviously, one should stress the special circumstances of the African countries requiring a greater focus on technical cooperation activities for the region.

95. Resources available to programme and projects in Africa have gone down both in relative terms and in absolute amounts. The geographical distribution of UNCTAD's technical cooperation expenditures indicates that in 1986, 35 per cent of UNCTAD's activities went to Africa, as compared to 16.5 per cent and 12 per cent for Asia/Pacific and Latin America/Caribbean, respectively. Africa's percentage share has since declined considerably. The respective figures for 1993 are: Africa 24.4, Asia/Pacific 17.1 and Latin America/Caribbean 11.2 per cent. This is mostly due to the dramatic decline of funding from the UNDP's Regional Programme for Africa. In 1989, total resources available to UNCTAD from that source amounted to $6 million. In 1994 this figure will have fallen to about $200,000 only.

96. There is a need to increase resources available to UNCTAD on activities related to the work on Africa. Additional resources in support of Africa's development endeavours are urgently required with a view to achieving lasting effect and long-term sustainability of policy reforms, especially in those countries that, for domestic reasons or owing to the situation in international markets, have faced deteriorating conditions. In this context, if UNCTAD is to undertake more analytical work and enhance technical cooperation activities, its capacity should be strengthened accordingly.

Notes

1/ This document is an updated version of TD/B/40(20)/CRP.2. See also TD/B/WP/84 for additional information.

2/ See also the DMFAS Programme, Progress Report 1993, UNCTAD/GRD/DMS/16.